

ACT No. 2010- 765

1 HB9
2 125046-2
3 By Representatives McCutcheon, Long, Sanderford, Weaver,
4 McMillan, McClendon, Galliher, Hubbard (M), Canfield, Boman,
5 Collins, Wren, Greer, Boothe, Lee, Williams (D), Henry,
6 Farley, Moore (B), Hill, Clouse, Chesteen, Beckman, Ison,
7 Johnson (W), Barton, Wood, Johnson (K), Hammon, Gaston,
8 Wallace, Vance, Ball, Fincher, Buttram, Williams (P), Rich,
9 Shiver, Nordgren, Faust, McClurkin, Williams (J), Treadaway,
10 Baughn, Roberts, Drake, Davis, Patterson, Brown, Tuggle, Baker
11 and Love
12 RFD: Ethics
13 First Read: 08-DEC-10



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2 ENROLLED, An Act,
3 To amend Sections 17-5-7 and 17-5-15, Code of
4 Alabama 1975, to prohibit campaign contributions,
5 expenditures, and other transfers of funds between political
6 action committees; and to limit certain political party
7 expenditures to \$5,000 per election cycle; and in connection
8 therewith would have as its purpose or effect the requirement
9 of a new or increased expenditure of local funds within the
10 meaning of Amendment 621 of the Constitution of Alabama of
11 1901, now appearing as Section 111.05 of the Official
12 Recompilation of the Constitution of Alabama of 1901, as
13 amended.

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

15 Section 1. This act shall be known and may be cited
16 as the Congressman Mike Rogers/Jeff McLaughlin Campaign
17 Finance Transparency Act.

18 Section 2. Sections 17-5-7 and 17-5-15 of the Code
19 of Alabama 1975, are amended to read as follows:

20 "§17-5-7.

21 "(a) A candidate, public official, or principal
22 campaign committee as defined in this chapter, may only use
23 campaign contributions, and any proceeds from investing the
24 contributions that are in excess of any amount necessary to

1 defray expenditures of the candidate, public official, or
2 principal campaign committee, for the following purposes:

3 " (1) Necessary and ordinary expenditures of the
4 campaign.

5 " (2) Expenditures that are reasonably related to
6 performing the duties of the office held. For purposes of this
7 section, expenditures that are reasonably related to
8 performing the duties of the office held do not include
9 personal and legislative living expenses, as defined in this
10 chapter.

11 " (3) Donations to the State General Fund, the
12 Education Trust Fund, or equivalent county or municipal funds.
13 Donations to an organization to which a federal income tax
14 deduction is permitted under subparagraph (A) of paragraph (1)
15 of subsection (b) of Section 170 of the Internal Revenue Code
16 of 1986, as amended, or any other charitable, educational, or
17 eleemosynary cause of Section 501 of Title 26 of the U. S.
18 Code.

19 " ~~(4) Transfers to another political committee as
20 defined in this chapter.~~

21 " (4) +5) Inaugural or transitional expenses.

22 " (b) Notwithstanding any other provision of law,
23 including, but not limited to, Section 13A-10-61, a candidate,
24 public official, or principal campaign committee may only
25 accept, solicit, or receive contributions:

1 "(1) To influence the outcome of an election.

2 "(2) For a period of 12 months before an election in
3 which the person intends to be a candidate. Provided, however,
4 candidates for state office and their principal campaign
5 committees may not accept, solicit, or receive contributions
6 during the period when the Legislature is convened in session.
7 For purposes of this section, the Legislature is convened in
8 session at any time from the opening day of the special or
9 regular session and continued through the day of adjournment
10 sine die for that session. However, this subdivision shall not
11 apply within 120 days of any primary, runoff, or general
12 election, and shall not apply to the candidates or their
13 principal campaign committees participating in any special
14 election as called by the Governor. This subdivision shall not
15 apply to a loan from a candidate to his or her own principal
16 campaign committee.

17 "(3) For a period of 120 days after the election in
18 which the person was a candidate, but only to the extent of
19 any campaign debt of the candidate or principal campaign
20 committee of the candidate as indicated on the campaign
21 financial disclosure form or to the extent of reaching the
22 threshold that is required for qualification as a candidate
23 for the office which he or she currently holds, or both.

1 "(4) For the purpose of paying all expenses
2 associated with an election challenge including, but not
3 limited to, quo warranto challenges.

4 "(c) Notwithstanding any other provision of law,
5 including, but not limited to, Section 13A-10-61, a candidate,
6 public official, or principal campaign committee shall not
7 accept, solicit, or receive contributions for any of the
8 following reasons:

9 "(1) As a bribe, as defined by Sections 13A-10-60 to
10 13A-10-63, inclusive.

11 "(2) For the intention of corruptly influencing the
12 official actions of the public official or candidate for
13 public office.

14 "(d) Notwithstanding any other provision of law, a
15 principal campaign committee, during a term of office
16 commencing on the day after the election for the seat or
17 office the candidate seeks and ending on the day of the next
18 general election for that seat or office, may pay qualifying
19 fees to a political party and may expend up to a cumulative
20 total of five thousand dollars (\$5,000) of campaign
21 contributions, and any proceeds from investing the
22 contributions, for the following purposes:

23 "(1) Tickets for political party dinners or
24 functions.

1 "(2) State or local political party dues or similar
2 expenses incurred by independent or write-in candidates.

3 "§17-5-15.

4 "(a) It shall be unlawful for any person to make a
5 contribution in the name of another person, or knowingly
6 permit his or her name to be used to effect such a
7 contribution made by one person in the name of another person,
8 or for any candidate, principal campaign committee, or
9 political action committee to knowingly accept a contribution
10 made by one person in the name of another person; provided,
11 however, that nothing in this chapter would prohibit any
12 person from soliciting and receiving contributions from other
13 persons for the purpose of making expenditures to a candidate,
14 political campaign committee, political action committee, or
15 elected state or local official required to file reports
16 pursuant to Section 17-5-8.

17 "(b) It shall be unlawful for any political action
18 committee, 527 organization, or private foundation, including
19 a principal campaign committee, to make a contribution,
20 expenditure, or any other transfer of funds to any other
21 political action committee, 527 organization, or private
22 foundation. It shall be unlawful for any principal campaign
23 committee to make a contribution, expenditure, or any other
24 transfer of funds to any other principal campaign committee,
25 except where the contribution, expenditure, or any other

1 transfer of funds is made from a principal campaign committee
2 to another principal campaign committee on behalf of the same
3 person. Notwithstanding the foregoing, a political action
4 committee that is not a principal campaign committee may make
5 contributions, expenditures, or other transfers of funds to a
6 principal campaign committee and a separate segregated fund
7 established by a corporation under federal law if the fund
8 does not receive any contributions from within this state
9 other than contributions from its employees and directors is
10 not restricted by this subsection in the amount it may
11 transfer to a political action committee established under the
12 provisions of Section 10A-21-1.01 by the same or an affiliated
13 corporation."

14 Section 3. (a) A principal campaign committee of a
15 state or local candidate may not receive or spend, in a
16 campaign for state or local office, campaign funds in excess
17 of one thousand dollars (\$1,000) that were raised by a
18 principal campaign committee of a federal candidate.

19 (b) Any receipt or expenditure of campaign funds in
20 violation of subsection (a) shall be a Class C felony.

21 Section 4. Although this bill would have as its
22 purpose or effect the requirement of a new or increased
23 expenditure of local funds, the bill is excluded from further
24 requirements and application under Amendment 621, now
25 appearing as Section 111.05 of the Official Recompilation of

1 the Constitution of Alabama of 1901, as amended, because the
2 bill defines a new crime or amends the definition of an
3 existing crime.

4 Section 5. This act shall become effective
5 immediately following its passage and approval by the
6 Governor, or its otherwise becoming law.

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Speaker of the House of Representatives

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President and Presiding Officer of the Senate

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House of Representatives

I hereby certify that the within Act originated in
and was passed by the House 10-DEC-10, as amended.

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Greg Pappas
Clerk

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Senate	14-DEC-10	Amended and Passed
House	15-DEC-10	Passed, as amended by Conference Com- mittee Report
Senate	15-DEC-10	Passed, as amended by Conference Com- mittee Report

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APPROVED December 20, 2010

TIME

11:00 a.m.

GOVERNOR

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Alabama Secretary Of State

Act Num....: 2010-765
Bill Num....: H-9

Recv'd 12/20/10 02:40pm JJB
Ex. A, Ala. Act No. 2010-765